



ALL-PARTY PARLIAMENTARY GROUP FOR MUTUALS

Law Commission review of the Co-operatives and Community Benefit Societies Act 2014

The announcement of separate Law Commission reviews into both the Co-operatives and Community Benefit Societies Act 2014 and the Friendly Societies Act 1992 presents a 'once in a lifetime' opportunity to seek to establish a level legislative playing field for these mutuals.

For many years, the APPG for Mutuals has been actively engaged in supporting efforts to improve legislation for mutuals. Members of the group have successfully taken forward Private Members Bills on several occasions and have engaged more generally with HM Government under all parties in pursuit of improved laws for all mutuals.

Work has now commenced on the Law Commission review for Co-operatives and Community Benefit Societies, though the Friendly Society review is yet to begin.

For both reviews, we understand that HM Treasury expects public consultation papers to be issued by September, but that the Law Commission anticipates its Co-operatives and Community Benefits Societies consultation could be ready as soon as April.

The APPG will engage actively with the Law Commission process, noting that the two Acts referred to will be subject to separate reviews.

APPG engagement

The purpose of the APPG's engagement is to raise awareness of the Law Commission Review generally, to encourage the sector to participate in it, and to focus attention on a number of key areas.

In an election year, it is important that any recommendations for action are adopted across all parties and that the impetus for legislative reform is maintained.

The Group will collect views from sector experts and practitioners and produce a report as a submission to the Law Commission public consultation process.

The APPG will be able to take a broad view of the issues being considered and to encourage participation from all key stakeholders, including those not aligned to the main trade body representatives.

Relevant trade bodies and their advisors will be invited to participate (such as Co-operatives UK) plus those outside the group such as:

- Housing Associations
- Agricultural co-ops
- Clubs and societies
- Non-aligned experts

The APPG will host four themed hearings in Parliament, where experts and practitioners will be able to meet with APPG members. Each session will last approximately 90 minutes. Separately, the APPG Secretariat will solicit written submissions from those interested in the legislation.

Sessions will be public and recorded.

Draft hearing schedule

- 1. Introduction: key legislative reform issues for co-operatives**
15:00-17:00
28 February 2024
Room C, 1 Parliament Street
House of Commons

This meeting will hear from the main legal stakeholders and representative organisations who will outline the key issues requiring legislative reform.

- 2. International legislative comparisons**
End of April tba
- 3. Identity and purpose – The importance of a legal definition for co-operatives**
End of May tba
- 4. New capital instruments for investment in co-operatives and community benefit societies**
End June

APPG Report with recommendations

- The format for the report will be similar to the APPG's LV= Inquiry Report.
- It will be the APPG's contribution to the formal consultation process.
- It will contain recommendations for the Law Commission review and also the next Government, which would need to take forward the legislation.